

SENATE BILL 1751

By Gardenhire

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, relative to amusement tax on physical  
fitness facilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-330(a)(16), is amended by  
deleting the subdivision and substituting instead the following:

(16)

(A) Dues, membership application fees, admission fees, contributions, or  
rental charges for equipment paid to any nonprofit corporation that is a charitable  
institution and that provides physical exercise opportunities for children and  
adults; provided, that the nonprofit corporation claiming this exemption, in order  
to qualify for the exemption, shall:

(i) Have as its historic sole purpose the provision of programs  
promoting physical, mental, and spiritual health, on a holistic basis  
without emphasizing one over another;

(ii) Provide at least five (5) of the following eight (8) programs  
dedicated to the improvement of conditions in the community and to  
support for families:

(a) Day care programs for preschool and school-aged  
children;

(b) Team sports opportunities for youth and teens;

(c) Leadership development for youth, teens, and adults;

(d) Services for at-risk youth and teens;

(e) Summer programs for at-risk and non-at-risk youth and teens;

(f) Outreach and exercise programs for seniors;

(g) Aquatic programs for all ages and skill levels; and

(h) Services for disabled children and adults;

(iii) Provide all programs and services to those of all ages, incomes and abilities under a fee structure that reasonably accommodates persons of limited means and ensures that ability to pay is not a consideration; and

(iv) Be exempt from federal income taxation as an exempt charitable organization under § 501(c)(3) of the Internal Revenue Code, codified in 26 U.S.C. § 501(c)(3), and any amendments thereto.

(B) Before any nonprofit corporation can be exempted under this subdivision (a)(16), the department of revenue shall, based upon information supplied by the nonprofit corporation claiming the exemption, approve the exemption. The exemption provided in this subdivision (a)(16) shall not apply, however, to establishments listed under Industry 7992 and Industry 7997 of the Standard Industrial Classification Index of 1987, prepared by the office of management and budget of the federal government;

SECTION 2. This act shall take effect July 1, 2018, the public welfare requiring it.